



Testimony of

David Kluczowski, C.C.M.C.  
Collector of Revenue, Town of Berlin  
Legislative Co-Chair, Connecticut Tax Collectors' Association, Inc.  
Judiciary Committee  
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**SB 472, An Act Concerning the Assignment of Liens Filed by a Municipal Tax Collector**

Good morning Senator Coleman, Representative Tong, Senator Kissel, Representative Rebimbas and the distinguished members of the Judiciary Committee. My name is David Kluczowski, I am the Collector of Revenue for the Town of Berlin and Co-Chair of the Legislative Committee for the Connecticut Tax Collectors' Association, Inc.

The Connecticut Tax Collectors' Association is opposed to Senate Bill 472, which would limit the assignment of liens on unpaid taxes in excess of \$2,500.

Although the town of Berlin currently does not assign tax liens, as it's Revenue Collector, I abide by the Connecticut General Statutes for municipal property tax collection. One constant that we rely on within the statutory procedures is uniformity. By this I mean, you pay on time there is never any interest. You pay late; the interest accrues at a rate of 1.5% per month with no variation under any circumstance. The above is uniform procedure for every town, for every property tax type, for every taxpayer, in every situation.

Therefore, to restrict the municipality's ability to assign a lien based on the dollar amount goes against the uniform statutory procedures we follow. It would be unfair and unjust to assign the lien for one property that is three years delinquent but not another property delinquent for three years simply because the dollar amount is below \$2,500.

Additionally, a dollar amount threshold for lien assignments makes absolutely no sense because of the various other liens in existence. For example, a number of municipalities also file liens for garage units, boat slips, sewer, sidewalk benefits, and real property assessed at a relatively low value such as a vacant lot. The majority of the items listed above when delinquent would take upwards of five years in many municipalities to reach a dollar amount threshold of \$2,500. Holding the tax collector back by not allowing these accounts to be assigned would lead to inefficiency and an increase in uncollectible accounts. Furthermore, overtime as taxpayers learn the system, this would encourage them to be delinquent because they know municipalities cannot assign their lien.

Lastly and most importantly, there seems to be a misunderstanding with the practice of tax lien assignments. Assignees do not purchase tax liens for the purpose of commencing foreclosure actions. In fact, the assignees generally are able to offer longer payment plan terms that are far more flexible than what can be offered by the municipality.

Senate Bill 472 would negatively impact tax collection laws by greatly compromising and weakening the uniformity they are predicated on. As a result, all Connecticut municipalities would suffer revenue wise as the uncollectable delinquencies would increase and the ability of tax collectors statewide to efficiently and effectively collect property taxes would decrease. I urge you to please reject Senate Bill 472.

Thank you for your attention to this matter.